

**HOUSE JOURNAL  
64TH LEGISLATURE  
SIXTEENTH LEGISLATIVE DAY**

Helena, Montana  
January 24, 2015

House Chambers  
State Capitol

House convened at 1:00 p.m. Mr. Speaker presiding. Invocation by Representative Meyers. Pledge of Allegiance to the Flag.

Roll Call. All members present, except Representatives Harris and Knudsen, excused. Quorum present.

**BILLS** (Welborn, Chair):

1/24/2015

Correctly printed: **HB 67, HB 146, HB 150.**

Correctly engrossed: **HB 88, HB 132, HB 138, HB 154.**

Transmitted to the Senate: **HB 16, HB 36, HB 80, HB 83, HB 98, HB 99, HB 102, HB 103, HB 124, HB 144, HB 184, HB 199.**

**REPORTS OF STANDING COMMITTEES**

**FISH, WILDLIFE AND PARKS** (Flynn, Chair):

1/22/2015

**HB 146**, do pass. Report adopted.

**HB 150**, do pass. Report adopted.

**HUMAN SERVICES** (Wittich, Chair):

1/23/2015

**HB 138**, introduced bill, be amended as follows:

1. Title, page 1, line 5.

**Strike:** "A MENTAL HEALTH FACILITY"

**Insert:** "THE MONTANA STATE HOSPITAL"

2. Title, page 1, line 6.

**Strike:** "53-1-603, 53-21-180,"

3. Page 1, line 11 through page 2, line 17.

**Strike:** section 1 through section 2 in their entirety

**Renumber:** subsequent sections

4. Page 3, line 2.

**Strike:** "that meets the requirements of 53-21-180"

5. Page 3, line 4.

**Insert:** "(4) (a) The discharge plan for a person admitted to the Montana state hospital may not allow for the discharge of the person directly into a homeless shelter or to a location that is outdoors or outside of a building. The Montana state hospital shall ensure that its compliance with this requirement does not delay a person's discharge."

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(b) A discharge plan that provides for discharge into a temporary housing situation must include information on the resources available to assist the person in finding permanent housing."

6. Page 3, line 16.

**Strike:** "that meets the requirements of 53-21-180"

7. Page 3, line 30.

**Strike:** "or another mental health facility"

8. Page 5, line 7.

**Strike:** "as required under 53-21-180"

9. Page 5, line 14 through line 15.

**Strike:** "or" on line 14 through "facility" on line 15

And, as amended, do pass. Report adopted.

**JUDICIARY** (Bennett, Chair):

1/23/2015

**HB 88**, introduced bill, be amended as follows:

1. Title, page 1, lines 6 and 7.

**Strike:** "REQUIRING THE DISTRICT COURT TO DESIGNATE A SEXUAL OFFENDER EVALUATOR TO CONDUCT A PSYCHOSEXUAL EVALUATION;"

2. Title, page 1, line 11.

**Strike:** "46-23-506,"

3. Page 1, lines 23 and 24.

**Strike:** "the district court shall designate a sexual offender evaluator to conduct "

**Insert:** "the investigation must include"

4. Page 1, line 24.

**Strike:** "to make"

5. Page 1, line 27.

**Strike:** "The district court shall select"

**Insert:** "The evaluation must be completed by"

6. Page 2, line 4.

**Strike:** "or the defendant"

7. Page 7, line 30 through page 9, line 10.

**Strike:** section 5 in its entirety

**Renumber:** subsequent sections

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8. Page 10, line 14.

**Following:** "federal government"

**Strike:** "that"

**Insert:** "who are not currently under the supervision of the department or the youth court and"

9. Page 10, line 15.

**Following:** "assessments"

**Insert:** "and psychosexual evaluations"

10. Page 10, line 16.

**Following:** "assessment"

**Strike:** "must"

**Insert:** "or psychosexual evaluation shall"

11. Page 10, line 18.

**Following:** "association"

**Insert:** "or has comparable credentials acceptable to the department of labor and industry"

And, as amended, do pass. Report adopted.

**TAXATION** (Miller, Chair):

1/23/2015

**HB 154**, introduced bill, be amended as follows:

1. Title, page 1, line 6.

**Following:** "LEGISLATURE;"

**Insert:** "PROVIDING CRITERIA FOR THE COMMITTEE TO USE WHEN REVIEWING TAX CREDITS; AND"

2. Title, page 1, line 7.

**Strike:** "15-30-2302,"

3. Title, page 1, line 8.

**Following:** "15-30-2364,"

**Insert:** "15-30-2365,"

4. Title, page 1, line 9.

**Following:** "15-30-2381,"

**Insert:** "15-31-125, 15-31-130, 15-31-131, 15-31-132, 15-31-133, 15-31-134, 15-31-150, 15-31-171,"

5. Title, page 1, line 10.

**Following:** "15-32-703,"

**Insert:** "15-50-207,"

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6. Page 1, line 16 through line 17.

**Strike:** subsection (a) in its entirety

**Renumber:** subsequent subsections

7. Page 1, line 21.

**Strike:** "and"

8. Page 1, line 23.

**Following:** "15-30-2326"

**Insert:** ";

(f) the credit for additional license fees paid by contractors provided for in 15-50-207; and

(g) the credit for new or expanded industry provided for in 15-31-124 through 15-31-127"

9. Page 1, line 28.

**Strike:** "and"

10. Page 1, line 29.

**Following:** "15-30-2336"

**Insert:** "; and

(f) the credit for day-care facilities provided for in 15-30-2365 and 15-31-133"

11. Page 2, line 4.

**Following:** "15-30-2320"

**Insert:** "and 15-31-137"

12. Page 2, line 10.

**Following:** "15-30-2373"

**Insert:** "and 15-31-131"

13. Page 2, line 11.

**Following:** "15-30-2367"

**Insert:** "and 15-31-132"

14. Page 2, line 13.

**Following:** "15-30-2358"

**Insert:** "and 15-31-150"

15. Page 2, line 14.

**Following:** "15-30-2356"

**Insert:** "and 15-31-134"

16. Page 2, line 15.

**Following:** "15-30-2368"

**Insert:** "and 15-31-130"

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17. Page 2, line 16.

**Following:** "15-30-2381"

**Insert:** "and 15-31-171"

18. Page 2, line 20.

**Following:** "credit."

**Insert:** "The revenue and transportation interim committee shall review the expiring credits using the following criteria:

- (a) whether the credit changes taxpayer decisions, including whether the credit rewards decisions that may have been made regardless of the existence of the tax credit;
- (b) to what extent the credit benefits some taxpayers at the expense of other taxpayers;
- (c) whether the credit has out-of-state beneficiaries;
- (d) the timing of costs and benefits of the credit and how long the credit is effective;
- (e) any adverse impacts of the credit or its elimination and whether the benefits of continuance or elimination outweigh adverse impacts; and
- (f) the extent to which benefits of the credit affect the larger economy."

19. Page 3, line 22 through page 4, line 16.

**Strike:** section 4 in its entirety

**Renumber:** subsequent sections

20. Page 13, line 18.

**Following:** line 18

**Insert:** "**Section 17.** Section 15-30-2365, MCA, is amended to read:

**"15-30-2365. Credit for day-care facilities.** (1) There is a credit against the taxes otherwise due under this chapter allowable to an employer based on the amounts paid or incurred during the tax year by the employer to acquire, construct, reconstruct, renovate, or otherwise improve real property to be used primarily as a day-care facility. The credit must be computed in accordance with the provisions of 15-31-133.

(2) This tax credit is subject to termination on December 31, 2019, and every 8 years thereafter as provided in [section 1]."

**Renumber:** subsequent sections

21. Page 16, line 22.

**Following:** line 22

**Insert:** "**Section 23.** Section 15-31-125, MCA, is amended to read:

**"15-31-125. Determination of tax credit.** (1) A new or expanding manufacturing corporation may receive an income tax credit based on a percentage of wages paid its new employees within this state for a period of 3 years as provided in this section. For the first 3 years of operation of a new corporation or the first 3 years of expansion of an expanding corporation, a credit of 1% of the total new wages paid in this state, as wages are defined in 39-51-201, may be allowed. In determining total wages for an expanding corporation, only those wages paid in support of the expansion are considered in ascertaining the credit. The payroll and number of jobs of the corporation in the 12-month period immediately preceding the expansion are averaged to determine eligibility for the credit.

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(2) This tax credit is subject to termination on December 31, 2017, and every 8 years thereafter as provided in [section 1]."

**Insert: "Section 24.** Section 15-31-130, MCA, is amended to read:

**"15-31-130. Tax credit for health insurance premiums paid -- eligible small employers -- corporations.** (1) There is a tax credit, as determined under Title 33, chapter 22, part 20, for eligible small employers against the taxes imposed in 15-31-101 and 15-31-502 for qualifying premiums paid by the eligible small employer for coverage of eligible employees and eligible employees' spouses and dependents under a group health plan subject to Title 33, chapter 22, part 20.

(2) This tax credit is subject to termination on December 31, 2023, and every 8 years thereafter as provided in [section 1]."

**Insert: "Section 25.** Section 15-31-131, MCA, is amended to read:

**"15-31-131. Credit for dependent care assistance and referral services.** (1) There is a credit against the taxes otherwise due under this chapter allowable to an employer for amounts paid or incurred during the tax year by the employer for dependent care assistance actually provided to or on behalf of an employee if the assistance is furnished by a registered or licensed day-care provider and pursuant to a program that meets the requirements of section 129(d)(2) through (6) of the Internal Revenue Code, 26 U.S.C. 129(d)(2) through (d)(6).

(2) (a) The amount of the credit allowed under subsection (1) is 25% of the amount paid or incurred by the employer during the tax year, but the credit may not exceed \$1,575 of day-care assistance actually provided to or on behalf of the employee.

(b) For the purposes of this subsection, marital status must be determined under the rules of section 21(e)(3) and (4) of the Internal Revenue Code, 26 U.S.C. 21(e)(3) and (e)(4).

(c) In the case of an onsite facility, the amount upon which the credit allowed under subsection (1) is based, with respect to any dependent, must be based upon utilization and the value of the services provided.

(3) (a) In addition to the credit allowed under subsection (1), there is a credit against the taxes otherwise due under this chapter allowable to an employer for amounts paid or incurred during the tax year by the employer to provide information and referral services to assist employees of the employer employed within this state to obtain dependent care.

(b) The amount of the credit allowed under subsection (3)(a) is equal to 25% of the amount paid or incurred in the tax year.

(4) An amount paid or incurred during the tax year of an employer in providing dependent care assistance to or on behalf of any employee does not qualify for the credit allowed under subsection (1) if the amount was paid or incurred to an individual described in section 129(c)(1) or (2) of the Internal Revenue Code, 26 U.S.C. 129(c)(1) or (c)(2).

(5) An amount paid or incurred by an employer to provide dependent care assistance to or on behalf of an employee does not qualify for the credit allowed under subsection (1):

(a) to the extent the amount is paid or incurred pursuant to a salary reduction plan; or

(b) if the amount is paid or incurred for services not performed within this state.

(6) If the credit allowed under subsection (1) or (3) is claimed, the amount of any deduction allowed or allowable under this chapter for the amount that qualifies for the credit (or upon which the credit is based) must be reduced by the dollar amount of the credit allowed. The election to claim a credit allowed under this section must be made at the time of filing the tax return.

(7) The amount upon which the credit allowed under subsection (1) is based may not be

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included in the gross income of the employee to whom the dependent care assistance is provided. However, the amount excluded from the income of an employee under this section may not exceed the limitations provided in section 129(b) of the Internal Revenue Code, 26 U.S.C. 129(b). For purposes of Title 15, chapter 30, part 25, with respect to an employee to whom dependent care assistance is provided, "wages" does not include any amount excluded under this subsection. Amounts excluded under this subsection do not qualify as expenses for which a deduction is allowed to the employee under 15-30-2131.

(8) Any tax credit otherwise allowable under this section that is not used by the taxpayer in a particular year may be carried forward and offset against the taxpayer's tax liability for the next succeeding tax year. Any credit remaining unused in the next succeeding tax year may be carried forward and used in the second succeeding tax year and likewise through the fifth year succeeding the tax year in which the credit was first allowed or allowable. A credit may not be carried forward beyond the fifth succeeding tax year.

(9) If the taxpayer is an S. corporation, as defined in section 1361 of the Internal Revenue Code, 26 U.S.C. 1361, and the taxpayer elects to take tax credit relief, the election may be made on behalf of the corporation's shareholders. A shareholder's credit must be computed using the shareholder's pro rata share of the corporation's costs that qualify for the credit. In all other respects, the effect of the tax credit applies to the corporation as otherwise provided by law.

(10) For purposes of the credit allowed under subsection (1) or (3):

(a) the definitions and special rules contained in section 129(e) of the Internal Revenue Code, 26 U.S.C. 129(e), apply to the extent applicable; and

(b) "employer" means an employer carrying on a business, trade, occupation, or profession in this state.

(11) This tax credit is subject to termination on December 31, 2023, and every 8 years thereafter as provided in [section 1]."

**Insert: "Section 26.** Section 15-31-132, MCA, is amended to read:

**"15-31-132. Tax credit for providing disability insurance for employees.** An employer is entitled to a credit against taxes otherwise due under this chapter for the amount of premiums for disability insurance paid by the employer for the employer's employees, subject to the following requirements:

(1) The tax credit is available only to employers who:

(a) have been in business in Montana for at least 12 months; and

(b) employ 20 or fewer employees working at least 20 hours a week.

(2) At least 50% of each employee's insurance premium is paid by the employer.

(3) Subject to the provisions of subsection (4), an employer is entitled to a tax credit for a maximum of 10 employees, computed as follows:

(a) a credit of \$25 a month for each employee if the employer pays 100% of the employee's premium; or

(b) a credit equal to \$25 a month multiplied by the percentage of the employee's premium paid by the employer for each employee if the employer pays less than 100% of the employee's premium.

(4) The credit may not exceed 50% of the premium cost for each employee and may not be claimed for a period of more than 36 consecutive months. A tax credit may not be granted to an employer or the employer's successor within 10 years of the last consecutive credit claimed.

(5) The credit allowed under this section may not be claimed as a carryback or carryforward

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and may not be refunded if the employer has no tax liability.

(6) This tax credit is subject to termination on December 31, 2023, and every 8 years thereafter as provided in [section 1]."

**Insert: "Section 27.** Section 15-31-133, MCA, is amended to read:

**"15-31-133. Credit for day-care facilities.** (1) There is a credit against the taxes otherwise due under this chapter that is allowable to an employer based on the amounts paid or incurred during the tax year by the employer to acquire, construct, reconstruct, renovate, or otherwise improve real property so that the property may be used primarily as a day-care facility. Subject to the conditions of this section, the amount of the credit is equal to:

- (a) the amount of the day-care facility credit determined under subsection (2); and
- (b) any day-care facility tax credit carryforwards.

(2) The credit allowed under subsection (1) is the lesser of:

(a) \$2,500, multiplied by the number of dependents that the day-care facility is designed to accommodate at the end of the first tax year for which credit is first claimed;

(b) 15% of the cost of the acquisition, construction, reconstruction, renovation, or other improvement; or

(c) \$50,000.

(3) The amounts paid or incurred by the employer for the acquisition, construction, reconstruction, renovation, or other improvement to real property that qualify for the credit may be paid or incurred either:

(a) to another person to be used to acquire, construct, reconstruct, renovate, or otherwise improve real property that is operated as a day-care facility and with whom the employer contracts to make day-care assistance payments, and the payments are excluded, or partially excluded, under 26 U.S.C. 129 from the income of the employee for federal tax purposes; or

(b) to acquire, construct, reconstruct, renovate, or otherwise improve real property that is operated by the employer, or a combination of employers, to provide day-care assistance to the employees of the employer under a program or programs, and the program or programs are excluded, or partially excluded, under 26 U.S.C. 129 from the income of the employee for federal tax purposes.

(4) To qualify for the credit allowed under subsection (1), the following conditions apply:

(a) The property must be in actual use in Montana as a day-care facility on the last day of the tax year for which the credit or any carryforward amount of the credit is claimed.

(b) Day-care services assisted by the employer must take place on the property on the last day of the tax year for which the credit or any carryforward amount of the credit is claimed.

(c) The person operating the day-care facility must hold a current license or registration certificate under Title 52, chapter 2, part 7, on the last day of the tax year for which the credit under subsection (1) is claimed.

(d) The day-care facility must accommodate six or more children.

(e) The day-care facility must be placed in operation before January 1, 2006.

(5) The total amount of the costs upon which the credit allowed under subsection (1) is based and the total amount of the credit must be determined by the employer, subject to rules adopted by the department, during the tax year in which the property acquired, constructed, reconstructed, renovated, or otherwise improved is first placed in operation as a day-care facility.

(6) The amount paid or incurred by the employer upon which the credit allowed under subsection (1) is based must be excluded from the income of an employee subject to the limitations



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provided in 26 U.S.C. 129(b).

(7) The taxpayer is allowed one-tenth of the total credit determined under subsection (2) in the first tax year in which the taxpayer may claim the credit and one-tenth of the total credit is allowed in each succeeding tax year, not to exceed 9 tax years.

(8) Except as provided in subsections (4)(a) and (4)(b), if the tax credit allowed under subsection (1) exceeds the taxpayer's liability, the credit may be carried forward to the succeeding tax year or years, except that a carryforward amount is not allowed beyond the period allowed for the credit as provided in subsection (7).

(9) The provisions of this section do not affect the computation of depreciation or basis for a day-care facility. However, if the credit allowed under this section is claimed, the amount of any deduction that is allowed or allowable under this chapter for the amounts paid or incurred, or upon which the credit is based, must be reduced by the dollar amount of the credit allowed.

(10) The department shall require evidence from the taxpayer that the person operating the day-care facility on the date that the taxpayer's tax year ends is licensed or registered to operate the facility. The evidence must accompany the tax return in which any amount of tax credit allowed under this section is claimed. If the evidence is not furnished, the credit is not allowed for the tax year for which the evidence is not furnished. Upon request of the department, the department of public health and human services shall report to the department on whether the day-care facility was operated as a licensed or registered day-care facility on the last day of the tax year of the person claiming the credit.

(11) The employer must meet any other requirements or furnish any information to the department that the department requires under rules adopted by the department to carry out the purposes of this section.

(12) If the credit allowed under this section is claimed by a small business corporation, as defined in 15-30-3301, or a partnership, the credit must be attributed to shareholders or partners, using the same proportion to report the corporation's or partnership's income or loss for Montana income tax purposes.

(13) For purposes of the credit allowed under subsection (1):

(a) the definitions and special rules contained in 26 U.S.C. 129(e) apply to the extent applicable; and

(b) "employer" means an employer carrying on a business, trade, occupation, or profession in this state.

(14) This tax credit is subject to termination on December 31, 2019, and every 8 years thereafter as provided in [section 1]."

**Insert: "Section 28.** Section 15-31-134, MCA, is amended to read:

**"15-31-134. Empowerment zone new employees -- tax credit.** (1) There is a credit for taxes due under 15-31-121 or 15-31-122 for an employer for each new employee at a business in an empowerment zone created pursuant to Title 7, chapter 21, part 37. The taxpayer must be certified by the department of labor and industry to be eligible to receive the credit as provided in 7-21-3710.

(2) The amount of the credit for each qualifying employee is:

1st year of employment       \$500

2nd year of employment       \$1,000

3rd year of employment       \$1,500

(3) If the amount of the credit exceeds the taxpayer's liability, the credit may be carried

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forward 7 years and carried back 3 years. The entire amount of the tax credit not used in the year earned must be carried first to the earliest tax year in which the credit may be applied and then to each succeeding tax year.

(4) If the credit allowed under this section is claimed by a small business corporation, as defined in 15-30-3301, a pass-through entity, or a partnership, the credit must be attributed to shareholders, owners, or partners using the same proportion as used to report the entity's income or loss.

(5) This tax credit is subject to termination on December 31, 2023, and every 8 years thereafter as provided in [section 1]."

**Insert: "Section 29.** Section 15-31-150, MCA, is amended to read:

**"15-31-150. Credit for research expenses and research payments.** (1) (a) There is a credit against taxes otherwise due under this chapter for increases in qualified research expense and basic research payments for research conducted in Montana. Except as provided in this section, the credit must be determined in accordance with section 41 of the Internal Revenue Code, 26 U.S.C. 41, as that section read on July 1, 1996, or as subsequently amended.

(b) For purposes of the credit, the:

(i) applicable percentage specified in 26 U.S.C. 41(a) is 5%;

(ii) election of the alternative incremental credit allowed under 26 U.S.C. 41(c)(4) does not apply;

(iii) special rules in 26 U.S.C. 41(g) do not apply; and

(iv) termination date provided for in 26 U.S.C. 41(h)(1)(B) does not apply.

(2) The credit allowed under this section for a tax year may not exceed the tax liability under chapter 30 or 31. A credit may not be refunded if a taxpayer has tax liability less than the amount of the credit.

(3) The credit allowed under this section may be used as a carryback against taxes imposed under chapter 30 or 31 for the 2 preceding tax years and may be used as a carryforward against taxes imposed by chapter 30 or 31 for the 15 succeeding tax years. The entire amount of the credit not used in the year earned must be carried first to the earliest tax year in which the credit may be applied and then to each succeeding tax year.

(4) A taxpayer may not claim a current year credit under this section after December 31, 2010. However, any unused credit may be carried back or forward as provided in subsection (3).

(5) A corporation, an individual, a small business corporation, a partnership, a limited liability partnership, or a limited liability company qualifies for the credit under this section. If the credit is claimed by a small business corporation, a partnership, a limited liability partnership, or a limited liability company, the credit must be attributed to the individual shareholders, partners, members, or managers in the same proportion used to report income or loss for state tax purposes. The allocations in 26 U.S.C. 41(f) do not apply to this section.

(6) For purposes of calculating the credit, the following definitions apply:

(a) "Gross receipts" means:

(i) for a corporation that has income from business activity that is taxable only within the state, all gross sales less returns of the corporation for the tax year; and

(ii) for a corporation that has income from business activity that is taxable both within and outside of the state, only the gross sales less returns of the corporation apportioned to Montana for the tax year.

(b) "Qualified research" has the meaning provided in 26 U.S.C. 41(d), but is limited to

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research conducted in Montana.

(c) "Qualified research expenses" has the meaning provided in 26 U.S.C. 41(b), but includes only the sum of amounts paid or incurred by the taxpayer for research conducted in Montana.

(d) "Supplies" has the meaning provided in 26 U.S.C. 41(b)(2)(C), but includes only those supplies used in the conduct of qualified research in Montana.

(e) (i) "Wages" has the meaning provided in 39-51-201, except as provided in subsection (6)(e)(ii) of this section, and includes only those wages paid or incurred for an employee for qualified services performed by the employee in Montana.

(ii) Notwithstanding the exception to the definition of wages in 39-51-201(24)(b)(v), for a self-employed individual and an owner-employee, the term includes the income, as defined in 26 U.S.C. 401(c)(2), of the employee.

(7) The department shall adopt rules, prepare forms, maintain records, and perform other duties necessary to implement this section. In adopting rules to implement this section, the department shall conform the rules to regulations prescribed by the secretary of the treasury under 26 U.S.C. 41 except to the extent that the regulations need to be modified to conform to this section.

(8) This tax credit is subject to termination on December 31, 2023, and every 8 years thereafter as provided in [section 1]."

**Insert: "Section 30.** Section 15-31-171, MCA, is amended to read:

**"15-31-171. Tax credit for providing temporary emergency lodging.** (1) There is a credit for taxes otherwise due under this chapter for participation in the temporary emergency lodging program established in 50-51-114.

(2) The tax credit is:

(a) equal to \$30 for each day of lodging provided; and

(b) limited to a maximum of 5 nights' lodging for each individual per calendar year.

(3) The credit may be claimed only for lodging provided in Montana.

(4) If the amount of the credit exceeds the taxpayer's liability under this chapter, the amount of the excess must be refunded to the taxpayer. The credit may be claimed even if the taxpayer has no tax liability.

(5) If the credit allowed under this section is claimed by a small business corporation, as defined in 15-30-3301, or a partnership, the credit must be attributed to shareholders or partners, using the same proportion to report the corporation's or partnership's income or loss for Montana income tax purposes.

(6) This tax credit is subject to termination on December 31, 2023, and every 8 years thereafter as provided in [section 1]."

**Renumber:** subsequent sections

22. Page 26, line 2.

**Following:** line 2

**Insert: "Section 40.** Section 15-50-207, MCA, is amended to read:

**"15-50-207. Credit against other taxes -- credit for personal property taxes and certain fees.** (1) (a) The additional license fees withheld or otherwise paid as provided in this chapter may be used as a credit on the contractor's corporate income tax provided for in chapter 31 of this title or on the contractor's income tax provided for in chapter 30, depending upon the type

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of tax the contractor is required to pay under the laws of the state.

(b) The credit allowed under this subsection (1) may be used as a carryforward against taxes imposed by chapter 30 or 31 for the 5 succeeding tax years. The entire amount of the credit not used in the year earned must be carried first to the earliest tax year in which the credit may be applied and then to each succeeding tax year.

(2) Personal property taxes and the fee in lieu of tax on buses, trucks having a manufacturer's rated capacity of more than 1 ton, or truck tractors, as provided in 61-3-529, and the registration fee on light vehicles, as provided in 61-3-321(2) and 61-3-562, paid in Montana on any personal property or vehicle of the contractor that is used in the business of the contractor and is located within this state may be credited against the license fees required under this chapter. However, in computing the tax credit allowed by this section against the contractor's income tax or corporate income tax, the tax credit against the license fees required under this chapter may not be considered as license fees paid for the purpose of the income tax or corporate income tax credit.

(3) This tax credit is subject to termination on December 31, 2017, and every 8 years thereafter as provided in [section 1]."

**Renumber:** subsequent sections

23. Page 27, line 14.

**Following:** line 14

**Insert:** "NEW SECTION. **Section 41. Transition -- carryover of credits.** A credit allowed a taxpayer prior to the termination date provided for in [this act] under the provisions of law in effect prior to the termination date that may be carried forward for a specified number of years is not impaired by [this act], and a taxpayer may claim the credit for the taxes specified for the period established at the time the credit was first allowed. This section applies to all tax credits that are terminated as provided in [this act], including but not limited to 15-30-2342, 15-30-2364, 15-30-2373, 15-31-131, 15-31-133, 15-31-134, 15-31-150, 15-31-151, 15-32-115, 15-32-202, 15-32-404, 15-32-506, 15-32-507, 15-32-701, 15-32-702, 15-32-703, 15-50-207, and 17-6-316."

**Renumber:** subsequent sections

And, as amended, do pass. Report adopted.

**TRANSPORTATION** (Lavin, Chair):

1/23/2015

**HB 132**, do pass. Report adopted.

**MESSAGES FROM THE SENATE**

**Senate bills** passed and transmitted to the House for concurrence:

1/22/2015

**SB 26**, introduced by Swandal

**SB 29**, introduced by T. Brown

**SB 50**, introduced by Fielder

**SB 60**, introduced by Driscoll

**SB 101**, introduced by Driscoll

**SB 109**, introduced by Swandal

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**FIRST READING AND COMMITMENT OF BILLS**

The following House bills were introduced, read first time, and referred to committees:

**HB 311**, introduced by G. Hertz, referred to Agriculture.

**HB 312**, introduced by N. Wilson, W. Curdy, referred to Local Government.

**HB 313**, introduced by E. McClafferty, referred to Education.

**HB 314**, introduced by C. Pease-Lopez, referred to Appropriations.

**HB 315**, introduced by B. Harris, N. Ballance, G. Bennett, S. Berglee, T. Berry, M. Blasdel, J. Brenden, R. Brodehl, B. Brown, A. Doane, R. Ehli, J. Fielder, F. Garner, C. Glimm, E. Greef, S. Hess, J. Hinkle, K. Holmlund, D. Jones, D. Kary, D. Lamm, M. Lang, S. Laszloffy, S. Lavin, F. Mandeville, T. Manzella, W. McKamey, D. Moore, D. Mortensen, M. Noland, A. Olszewski, R. Osmundson, R. Pinocci, L. Randall, A. Redfield, K. Regier, V. Ricci, T. Richmond, D. Salomon, N. Schwaderer, R. Shaw, C. Smith, S. Staffanson, N. Swandal, J. Taylor, B. Tschida, G. Vance, K. Wagoner, K. White, D. Zolnikov, referred to Judiciary.

The following Senate bills were introduced, read first time, and referred to committees:

**SB 26**, introduced by N. Swandal (by request of the Department of Justice), referred to Judiciary.

**SB 29**, introduced by T. Brown, referred to Education.

**SB 50**, introduced by J. Fielder (by request of the Department of Justice), referred to Judiciary.

**SB 60**, introduced by R. Driscoll (by request of the Department of Justice), referred to Judiciary.

**SB 101**, introduced by R. Driscoll (by request of the Law and Justice Interim Committee), referred to Judiciary.

**SB 109**, introduced by N. Swandal, referred to Judiciary.

**SECOND READING OF BILLS  
(COMMITTEE OF THE WHOLE)**

Majority Leader Regier moved the House resolve itself into a Committee of the Whole for consideration of business on second reading. Motion Carried. Representative Olszewski in the chair.

Mr. Speaker: We, your Committee of the Whole, having had under consideration business on second reading, recommend as follows:

**HB 25** - Representative MacDonald moved **HB 25** do pass. Motion carried as follows:

Yeas: B. Bennett, Berglee, Z. Brown, Burnett, Clark, Court, Curdy, Custer, Dudik, Dunwell, Eck, Ellis, Essmann, Funk, Hagstrom, Hayman, Hill, Hollandsworth, Hunter, Jacobson, Jones, Karjala, Kelker, Kipp III, Lang, Laszloffy, Lavin, Lieser, Lynch, MacDonald, McCarthy, McClafferty, McConnell, McKamey, Mehlhoff, Meyers, Miller, Moore, Noonan, Olsen, Olszewski, Pease-Lopez, Peppers, Perry, Person, Pierson, Pinocci, Pope, Price, Richmond, Salomon,

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Schreiner, Schwaderer, Shaw, Smith, Steenberg, Swanson, Tropila, Webber, Welborn, Williams, Wilson, Woods.  
Total 63

Nays: Ballance, J. Bennett, Berry, Brodehl, B. Brown, Cook, Cuffe, Doane, Ehli, Fiscus, Fitzpatrick, Flynn, Garner, Glimm, Greef, Hertz, Hess, Holmlund, Lamm, Mandeville, Manzella, Monforton, Mortensen, Noland, Osmundson, Randall, Redfield, Regier, Ricci, Staffanson, Tschida, Wagoner, White, Wittich, Zolnikov, Mr. Speaker.  
Total 36

Excused: Harris.  
Total 1

Absent or not voting: None.  
Total 0

**HB 87** - Representative McClafferty moved consideration of **HB 87** be passed for the day.  
Motion Carried.

**HB 157** - Representative Perry moved **HB 157** do pass. Motion carried as follows:

Yeas: Ballance, B. Bennett, Berglee, Berry, Brodehl, B. Brown, Z. Brown, Burnett, Clark, Cook, Court, Cuffe, Curdy, Custer, Doane, Dudik, Dunwell, Eck, Ehli, Ellis, Essmann, Fiscus, Fitzpatrick, Flynn, Funk, Garner, Greef, Hagstrom, Hayman, Hertz, Hill, Hollandsworth, Holmlund, Hunter, Jacobson, Jones, Karjala, Kelker, Kipp III, Lamm, Lang, Laszloffy, Lavin, Lieser, Lynch, MacDonald, Mandeville, Manzella, McCarthy, McClafferty, McConnell, McKamey, Mehlhoff, Meyers, Moore, Mortensen, Noonan, Olsen, Olszewski, Osmundson, Pease-Lopez, Peppers, Perry, Person, Pierson, Pinocci, Pope, Price, Randall, Redfield, Regier, Ricci, Richmond, Salomon, Schreiner, Schwaderer, Shaw, Smith, Staffanson, Steenberg, Swanson, Tropila, Tschida, Webber, Welborn, White, Williams, Wilson, Woods, Zolnikov, Mr. Speaker.  
Total 91

Nays: J. Bennett, Glimm, Hess, Miller, Monforton, Noland, Wagoner, Wittich.  
Total 8

Excused: Harris.  
Total 1

Absent or not voting: None.  
Total 0

**HB 183** - Representative Mandeville moved **HB 183** do pass. Motion carried as follows:

Yeas: Ballance, J. Bennett, Berglee, Berry, Brodehl, B. Brown, Burnett, Clark, Cook, Cuffe, Custer, Doane, Dunwell, Ehli, Ellis, Essmann, Fiscus, Fitzpatrick, Flynn, Garner, Glimm, Greef,

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Hagstrom, Harris, Hertz, Hess, Hill, Hollandsworth, Holmlund, Jones, Kipp III, Lamm, Lang, Laszloffy, Lavin, Mandeville, Manzella, McClafferty, McKamey, Mehlhoff, Meyers, Miller, Monforton, Mortensen, Noland, Olszewski, Osmundson, Person, Pinocci, Price, Randall, Redfield, Regier, Ricci, Richmond, Salomon, Schwaderer, Shaw, Staffanson, Tschida, Wagoner, Welborn, White, Wittich, Zolnikov, Mr. Speaker.

Total 66

Nays: B. Bennett, Z. Brown, Court, Curdy, Dudik, Eck, Funk, Hayman, Hunter, Jacobson, Karjala, Kelker, Lieser, Lynch, MacDonald, McCarthy, McConnell, Moore, Noonan, Olsen, Pease-Lopez, Peppers, Perry, Pierson, Pope, Schreiner, Smith, Steenberg, Swanson, Tropila, Webber, Williams, Wilson, Woods.

Total 34

Excused: None.

Total 0

Absent or not voting: None.

Total 0

Majority Leader Regier moved the committee rise and report. Motion Carried. Committee arose. House resumed. Mr. Speaker presiding. Chair Olszewski moved the Committee of the Whole report be adopted. Report adopted as follows:

Yeas: Ballance, B. Bennett, J. Bennett, Berglee, Berry, Brodehl, B. Brown, Z. Brown, Burnett, Clark, Cook, Court, Cuffe, Curdy, Custer, Doane, Dudik, Dunwell, Eck, Ehli, Ellis, Essmann, Fiscus, Fitzpatrick, Flynn, Funk, Garner, Glimm, Greef, Hagstrom, Harris, Hayman, Hertz, Hess, Hollandsworth, Holmlund, Hunter, Jacobson, Jones, Kelker, Kipp III, Lamm, Lang, Laszloffy, Lavin, Lynch, MacDonald, Mandeville, Manzella, McCarthy, McClafferty, McConnell, McKamey, Mehlhoff, Miller, Monforton, Moore, Mortensen, Noland, Noonan, Olsen, Osmundson, Pease-Lopez, Peppers, Perry, Person, Pierson, Price, Randall, Redfield, Regier, Ricci, Richmond, Salomon, Schreiner, Schwaderer, Shaw, Smith, Staffanson, Swanson, Tropila, Tschida, Wagoner, Webber, White, Williams, Wilson, Wittich, Woods, Zolnikov.

Total 90

Nays: Olszewski.

Total 1

Excused: Mr. Speaker.

Total 1

Absent or not voting: Hill, Karjala, Lieser, Meyers, Pinocci, Pope, Steenberg, Welborn.

Total 8

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**THIRD READING OF BILLS**

The following bills having been read three several times, title and history agreed to, were disposed of in the following manner:

**HB 26** passed as follows:

Yeas: B. Bennett, Berglee, Z. Brown, Clark, Cook, Court, Curdy, Custer, Dudik, Dunwell, Eck, Ellis, Essmann, Fiscus, Fitzpatrick, Flynn, Funk, Garner, Hayman, Hill, Hollandsworth, Holmlund, Hunter, Jacobson, Karjala, Kelker, Kipp III, Lang, Laszloffy, Lavin, Lieser, Lynch, MacDonald, McCarthy, McClafferty, McConnell, McKamey, Mehlhoff, Meyers, Miller, Moore, Noonan, Olsen, Olszewski, Osmundson, Pease-Lopez, Peppers, Perry, Person, Pierson, Pinocci, Pope, Price, Redfield, Regier, Ricci, Richmond, Salomon, Schreiner, Shaw, Smith, Steenberg, Swanson, Tropila, Wagoner, Webber, Welborn, Williams, Wilson, Wittich, Woods.  
Total 71

Nays: Ballance, J. Bennett, Berry, Brodehl, B. Brown, Burnett, Cuffe, Doane, Ehli, Glimm, Greef, Hagstrom, Harris, Hertz, Hess, Jones, Lamm, Mandeville, Manzella, Monforton, Mortensen, Noland, Randall, Schwaderer, Staffanson, Tschida, White, Zolnikov.  
Total 28

Excused: Mr. Speaker.  
Total 1

Absent or not voting: None.  
Total 0

**HB 53** passed as follows:

Yeas: Ballance, B. Bennett, J. Bennett, Berglee, Berry, B. Brown, Z. Brown, Burnett, Clark, Cook, Court, Cuffe, Curdy, Custer, Doane, Dudik, Dunwell, Eck, Ehli, Ellis, Essmann, Fiscus, Fitzpatrick, Flynn, Funk, Garner, Glimm, Greef, Hagstrom, Harris, Hayman, Hertz, Hill, Hollandsworth, Holmlund, Hunter, Jacobson, Jones, Karjala, Kelker, Kipp III, Lamm, Lang, Laszloffy, Lavin, Lieser, Lynch, MacDonald, Mandeville, Manzella, McCarthy, McClafferty, McConnell, McKamey, Mehlhoff, Meyers, Miller, Monforton, Moore, Mortensen, Noland, Noonan, Olsen, Olszewski, Osmundson, Pease-Lopez, Peppers, Perry, Person, Pierson, Pinocci, Pope, Price, Randall, Redfield, Regier, Ricci, Richmond, Salomon, Schreiner, Schwaderer, Shaw, Smith, Staffanson, Steenberg, Swanson, Tropila, Tschida, Wagoner, Webber, Welborn, White, Williams, Wilson, Wittich, Woods, Zolnikov.  
Total 97

Nays: Brodehl, Hess.  
Total 2



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Excused: Mr. Speaker.

Total 1

Absent or not voting: None.

Total 0

**HB 130** passed as follows:

Yeas: J. Bennett, Berry, Z. Brown, Clark, Cook, Cuffe, Custer, Doane, Dudik, Dunwell, Ellis, Essmann, Fiscus, Fitzpatrick, Flynn, Garner, Glimm, Harris, Hayman, Hertz, Hess, Hill, Hollandsworth, Jones, Kelker, Kipp III, Lang, Laszloffy, Lavin, Lieser, Lynch, Mandeville, Manzella, McCarthy, McClafferty, McConnell, McKamey, Mehlhoff, Meyers, Monforton, Mortensen, Noonan, Olszewski, Pease-Lopez, Perry, Person, Pierson, Pinocci, Pope, Price, Redfield, Ricci, Richmond, Salomon, Shaw, Staffanson, Steenberg, Wagoner, Webber, Williams, Wittich.

Total 61

Nays: Ballance, B. Bennett, Berglee, Brodehl, B. Brown, Burnett, Court, Curdy, Eck, Ehli, Funk, Greef, Hagstrom, Holmlund, Hunter, Jacobson, Karjala, Lamm, MacDonald, Miller, Moore, Noland, Olsen, Osmundson, Peppers, Randall, Regier, Schreiner, Schwaderer, Smith, Swanson, Tropila, Tschida, Welborn, White, Wilson, Woods, Zolnikov.

Total 38

Excused: Mr. Speaker.

Total 1

Absent or not voting: None.

Total 0

**HB 135** passed as follows:

Yeas: Ballance, B. Bennett, J. Bennett, Berglee, Berry, Brodehl, B. Brown, Z. Brown, Burnett, Clark, Cook, Court, Cuffe, Curdy, Custer, Doane, Dudik, Dunwell, Eck, Ehli, Ellis, Essmann, Fiscus, Fitzpatrick, Flynn, Funk, Garner, Glimm, Greef, Hagstrom, Harris, Hayman, Hertz, Hess, Hill, Hollandsworth, Hunter, Jacobson, Jones, Karjala, Kelker, Kipp III, Lamm, Lang, Laszloffy, Lavin, Lieser, Lynch, MacDonald, Mandeville, Manzella, McCarthy, McClafferty, McConnell, McKamey, Mehlhoff, Meyers, Miller, Monforton, Moore, Mortensen, Noland, Noonan, Olsen, Olszewski, Osmundson, Pease-Lopez, Peppers, Perry, Person, Pierson, Pinocci, Pope, Price, Randall, Redfield, Regier, Ricci, Richmond, Salomon, Schreiner, Schwaderer, Shaw, Smith, Staffanson, Steenberg, Swanson, Tropila, Wagoner, Webber, Welborn, White, Williams, Wilson, Wittich, Woods, Zolnikov.

Total 97

Nays: Holmlund, Tschida.

Total 2

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Excused: Mr. Speaker.

Total 1

Absent or not voting: None.

Total 0

**HB 139** passed as follows:

Yeas: Ballance, B. Bennett, J. Bennett, Berglee, Berry, Brodehl, Z. Brown, Burnett, Clark, Cook, Court, Cuffe, Curdy, Custer, Doane, Dudik, Dunwell, Eck, Ehli, Ellis, Essmann, Fiscus, Fitzpatrick, Flynn, Funk, Garner, Glimm, Greef, Hagstrom, Hayman, Hertz, Hess, Hill, Hollandsworth, Holmlund, Hunter, Jacobson, Jones, Karjala, Kelker, Kipp III, Lamm, Lang, Laszloffy, Lavin, Lieser, Lynch, MacDonald, Mandeville, Manzella, McCarthy, McClafferty, McConnell, McKamey, Mehlhoff, Meyers, Miller, Monforton, Moore, Mortensen, Noland, Noonan, Olsen, Olszewski, Osmundson, Pease-Lopez, Peppers, Perry, Person, Pierson, Pinocci, Pope, Price, Randall, Redfield, Regier, Ricci, Richmond, Salomon, Schreiner, Schwaderer, Shaw, Smith, Staffanson, Steenberg, Swanson, Tropila, Tschida, Wagoner, Webber, Welborn, White, Williams, Wilson, Wittich, Woods, Zolnikov.

Total 97

Nays: B. Brown.

Total 1

Excused: Mr. Speaker.

Total 1

Absent or not voting: Harris.

Total 1

**UNFINISHED BUSINESS**

Mr. Speaker, I move that the following undersigned name be **ADDED** as sponsor to **HB 258**  
Motion Carried.

**HB 258** (K. Williams, Chief Sponsor)

Essmann.

**SPECIAL ORDERS OF THE DAY**

Representative Smith thanked the pages for their service.

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**ANNOUNCEMENTS**

Committee meetings were announced by the committee chairs.

Majority Leader Regier moved that the House adjourn until 1:00 p.m., Monday, January 26, 2015. Motion carried.

House adjourned at 8:38 a.m.

LINDSEY GROVOM  
Chief Clerk of the House

AUSTIN KNUDSEN  
Speaker of the House